

FISCAL IMPACT STATEMENT ON BILL NO. **S401**

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TO:	The Honorable Hugh Leatherman, Chairman, Senate Finance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid		
DATE:	March 26, 2007	SBD:	2007261

AUTHOR:	Senator Setzler	PRIMARY CODE CITE:	11-35-310
SUBJECT:	Procurement Code - Vendor Preferences		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

The proposed Bill amends several sections of the Code of Laws of South Carolina, 1976, related to the preference of vendors in the Procurement Code.

EXPLANATION OF IMPACT:

State law currently provides a preference to in-state vendors, such that some contracts are awarded to a higher-priced in-state vendor, rather than to a lower-priced out-of-state vendor. This Bill creates additional preferences. Therefore, the provisions of this Bill may increase the price paid on some government contracts by as much as 10%. However, the impact on agency expenditures is not readily quantifiable and will depend on the numbers of additional contracts awarded to in-state vendors and the terms of those contracts.

LOCAL GOVERNMENT IMPACT:

See above.

SPECIAL NOTES:

None.

Approved by:



Harry Bell
Assistant Director, Office of State Budget